

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2617 – HB 2799

April 5, 2012

**SUMMARY OF AMENDMENT (016108):** Deletes all language after the enacting clause. Creates a new specialty earmarked license plate for the Tennessee Federation of Garden Clubs. Creates a new specialty earmarked license plate known as the “Wilson County – The Place to Be!” license plate. Extends the authorization time period for the new specialty earmarked license plate for the National Civil Rights Museum until July 1, 2013.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Revenue –**

**\$12,800/General Fund/FY12-13**

**\$15,400/Tennessee Federation of Garden Clubs/FY12-13**

**\$15,400/United Way of Wilson County/FY12-13**

**\$15,400/Lorraine Motel Foundation/FY12-13**

**\$36,800/Tennessee Arts Commission/FY12-13**

**\$9,200/Highway Fund/FY12-13**

**\$17,500/Tennessee Federation of Garden Clubs/FY13-14 and Subsequent Years**

**\$17,500/United Way of Wilson County/FY13-14 and Subsequent Years**

**\$17,500/Lorraine Motel Foundation/FY13-14 and Subsequent Years**

**\$42,000/Tennessee Arts Commission/FY13-14 and Subsequent Years**

**\$10,500/Highway Fund/FY13-14 and Subsequent Years**

**Increase State Expenditures - \$12,800/General Fund/FY12-13**

Assumptions applied to amendment:


- Revenue (3,000 plates at \$35.00 each = \$105,000).
- According to the Department of Revenue, the cost of production has increased from \$3.76 per plate to \$4.25 per plate.
- Expenditures (Production cost: 3,000 plates at \$4.25 each = \$12,750 one-time).

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- Three thousand new plates will be purchased by individuals who currently do not have a specialty license plate.
- Net proceeds from the sale of such plates will be allocated as follows: 50 percent to the specified organizations (Tennessee Federation of Garden Clubs, the United Way of Wilson County, and the Lorraine Motel Foundation); 40 percent to the Tennessee Arts Commission; and 10 percent to the State Highway Fund.
- Pursuant to Tenn. Code Ann. § 55-4-201(h)(1), new specialty earmarked license plates will be subject to a minimum order of at least 1,000 plates prior to initial issuance. Any plate that does not meet the minimum order requirement within one year after passage of the act authorizing the plate will become invalid.
- As it applies to the National Civil Rights Museum specialty earmarked license plate, the requisite number of plates will not be sold by the current statutory deadline of July 1, 2012.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/rnc